IN THE HIGH COURT OF UTTARANCHAL AT NAINITAL

Civil Misc. Writ Petition No. 426 (M/B) 2003

M/s Annapurna Rice Mill,
Through its partner Madan Mohan Agarwal,
S/o Sri Nihal Chand, R/o Kashipur Road,
Rudrapur,
Distt. Udham Singh Nagar & Others .....Petitioners

Versus

Union of India,
through its Secretary,
Department of Consumer Affairs,
Food and Public Distribution,
New Delhi and others. ....Respondents.

Sri L.P. Naithani, Advocate for the petitioners,
Sri Prakash Bist, Standing Counsel for the Govt. of India.
Sri K.P. Upadhyaya, S.C. for the State of Uttaranchal.

Coram: Hon'ble S.H. Kapadia, C.J.
Hon'ble M.M. Ghildiyal. J.

Date: 21.10.2003:

PC:-

Prior to 9th November, 2002, petitioners, as Rice Millers in Udham Singh Nagar and Champawat gave levy Rice to the State and food grains were purchased by Food Corporation of India. The procurement of rice was lodged with F.C.I. by the State Government and payment was made to the petitioners by State Government. In the year 2002-03 there was a drought in India. On 29th October 2002, State of Uttaranchal issued directions to the Commissioner Food & Civil Supplies, Dehradun, District Magistrate, Udham Singh Nagar etc. for procurement of rice. Under the said order, in view of drought conditions, Rs. 20/- per quintal of Paddy was declared as drought relief which amounted to Rs. 30/- per quintal on Rice. After adjustment of the drought relief, the procurement price was declared. The procurement price was payable in respect of Rice made out of Paddy, purchased on or before 31st December 2002. However, the Central Government took a policy decision that all Paddy procuring States would be entitled to special drought relief price at Rs. 20/- per

quintal for Paddy upto 28th February 2003 and consequently the State of Uttaranchal restricted the period from 31st March 2003 to 28th February 2003. This was challenged by this petition.

However, the Central Government his issued a letter on 11th June 2003 to all Paddy procuring States stating that special drought relief price of Rs. 20/- per quintal for Paddy will be applicable for procurement of Paddy upto 30th September 2003. In the circumstances the State is directed to take steps to implement the letter of the Central Government and grant benefit to the petitioners in terms of that letter of the Government of India dated 11th June 2003. In fact it is pointed out by the Government in an affidavit dated 15th September 2003 that 65% of the payment of the levy Rice has been made to the petitioners by State Government upto 30th May 2003 and that only 2% of the payment now remains to be effected to various Rice Millers including the petitioners, amounting to Rs. 2.50 crores.

In the circumstances, we are directing the State Government to pay the balance amount to the Rice Millers as mentioned in Para-5 of the affidavit dated 15th September 2003 within a period of eight weeks from today.

Accordingly, writ petition is disposed of. No order as to costs.

(M.M. Ghildiyal. J.) **(S.H. Kapadia, C.J.)**

HN